

CPP ANNUAL USE OF CAPITAL SURVEY - 2010



NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Florida Business BancGroup, Inc.

Point of Contact:	C. Peter Bardin	RSSD: (For Bank Holding Companies)	2805432
UST Sequence Number:	815	Docket Number: (For Thrift Holding Companies)	N/A
CPP/CDCI Funds Received:	9,495,000	FDIC Certificate Number: (For Depository Institutions)	35066
CPP/CDCI Funds Repaid to Date:		Credit Union Charter Number: (For Credit Unions)	N/A
Date Funded (first funding):	February 20, 2009	City:	Tampa
Date Repaid ¹ :	N/A	State:	Florida

¹If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP) and Community Development Capital Initiative (CDCI). To answer that question, Treasury is seeking responses that describe generally how the CPP/CDCI investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP/CDCI investment was deployed or how many CPP/CDCI dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP/CDCI capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP/CDCI funds were outstanding).

☒ **Increase lending or reduce lending less than otherwise would have occurred.**

CPP allowed the Bank to increase its legacy loan portfolio as well as provide additional capital to support our successful FDIC assisted acquisition of a failed bank.

☒ **To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).**

We are aggressively targeting commercial and industrial loans, including owner occupied real estate loans.

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☐ Increase securities purchased (ABS, MBS, etc.).

☐ Make other investments.

☒ Increase reserves for non-performing assets.

The additional capital has permitted the Bank to increase the reserve as needed.

☐ Reduce borrowings.

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☒ **Increase charge-offs.**

The additional capital has permitted the Bank to take aggressive non-performing loan charge offs.

☒ **Purchase another financial institution or purchase assets from another financial institution.**

The Bank acquired a failed bank in an FDIC assisted transaction in 2010.

☐ **Held as non-leveraged increase to total capital.**

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What actions were you able to avoid because of the capital infusion of CPP/CDCI funds?

With the CPP capital, the Bank was able to continue to grow and provide credit and other banking services to our local community. Without these funds, we might have needed to shrink loan and deposit base of the Bank.

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What actions were you able to take that you may not have taken without the capital infusion of CPP/CDCI funds?

We were able to continue to make loans and grow deposits in our local market. Without the additional capital, the bank would not have been able to increase its loans and deposits.

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Please describe any other actions that you were able to undertake with the capital infusion of CPP/CDCI funds.

We were successful in an FDIC assisted acquisition of a failed bank, in part due to the capital provided by the CPP funds.